

## COUNTY OF LOS ANGELES

## DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE ALHAMBRA, CALIFORNIA 91803-1331 Telephone: (626) 458-5100 http://dpw.lacounty.gov

ADDRESS ALL CORRESPONDENCE TO: P.O. BOX 1460 ALHAMBRA, CALIFORNIA 91802-1460

April 13, 2010

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012

Dear Supervisors:

**ADOPTED** 

BOARD OF SUPERVISORS COUNTY OF LOS ANGELES

#36 APRIL 13, 2010

SACHI A. HAMAI EXECUTIVE OFFICER

AWARD OF A PUBLIC WORKS CONSTRUCTION CONTRACT
25TH STREET EAST UNDER UNION PACIFIC RAILROAD
IN THE CITY OF PALMDALE
(SUPERVISORIAL DISTRICT 5)
(3 VOTES)

#### **SUBJECT**

This action is to find the apparent lowest bid nonresponsive for failure to make adequate good faith efforts to meet the Underutilized Disadvantaged Business Enterprises goal, award a public works construction contract for 25th Street East under Union Pacific Railroad to the contractor with the second lowest bid, and authorize the Director of Public Works or her designee to execute the contract for work in the City of Palmdale.

## IT IS RECOMMENDED THAT YOUR BOARD:

- 1. Find the apparent lowest bid submitted by B & B Developers nonresponsive for failure to make adequate good faith efforts to meet the Underutilized Disadvantaged Business Enterprise goal for the project as required by Code of Federal Regulations Title 49, Part 26, at the time of bid.
- 2. Award a construction contract to Sol Construction, Inc., the contractor with the second lowest responsive bid, in the amount of \$99,340.70, for Project ID No. RDC0011116 25th Street East under Union Pacific Railroad, to seismically strengthen an existing bridge, in the City of Palmdale and authorize the Director of Public Works or her designee to execute the construction contract in the form previously approved by County Counsel and establish the effective date following receipt of approved Faithful Performance and Labor and Material bonds and insurance filed by the contractor.

## PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended actions is for the County of Los Angeles Board of Supervisors (Board) to find B & B Developers nonresponsive for not meeting the Underutilized Disadvantage Business Enterprise (UDBE) goal of 6 percent; award a construction contract to Sol Construction, Inc., the contractor with the second lowest responsive bid; and authorize the Director of Public Works (Director) or her designee to execute the construction contract and establish the effective contract date following receipt of approved Faithful Performance and Labor and Material bonds and insurance filed by the contractor for this project.

On January 12, 2010, Agenda Item 40, your Board approved the project, adopted the plans and specifications, called for bids to be received on February 9, 2010, instructed the Executive Officer of the Board of Supervisors to advertise the project, and authorized the Director or her designee to award and execute a contract with the apparent responsible contractor with the lowest responsive bid within the estimated cost range of \$155,000 to \$210,000.

On February 9, 2010, 16 bids were opened, and the apparent lowest bid was from B & B Developers in the amount of \$97,843. However, at the time of bid submittal, B & B Developers proposed a 0 percent UDBE participation against the project UDBE goal of 6 percent.

This contract is subject to the Code of Federal Regulations (49 CFR 26). In accordance with 49 CFR 26, the bid specifications for this project require a contractor to take necessary and reasonable steps to ensure that disadvantaged business enterprises have an opportunity to participate in the contract. A bidder who does not meet the goal is required to submit documentation showing that it made adequate good faith efforts to meet the goal in order to be considered for award. B & B Developers subsequently submitted Good Faith Effort documentation. After review of the Good Faith Effort documentation, it was determined that B & B Developers did not make an adequate good faith effort. Accordingly, the bid of B & B Developers should be considered nonresponsive and the contract should be awarded to Sol Construction, Inc., the contractor with the second lowest responsive bid, in the amount of \$99,340.70.

The enclosure includes the project description, the call for bids and bid opening date, a tabulation of bids, and financial information. The certified record of receipt of bids and the original bid proposal are also enclosed including addenda to the contract specifications for this project.

The recommended construction contract is necessary to execute a Board directed and approved Department of Public Works' (Public Works) project in support of operational missions. Your Board's approval of the recommended contract award and the subsequent execution of the contract will ensure the timely completion of the project.

## **Implementation of Strategic Plan Goals**

The Countywide Strategic Plan directs the provisions of Operational Effectiveness (Goal 1) and Community and Municipal Services (Goal 3). Awarding this contract will help meet these goals by providing a more reliable bridge infrastructure for the traveling public during and immediately following seismic events.

## FISCAL IMPACT/FINANCING

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The recommended contract amount of \$99,340.70 will have no impact to the County General Fund.

The enclosure includes the amount of the recommended contract as compared with the engineer's estimate and the other bids received.

This project is entirely within the City of Palmdale and will be administered under the Surface Transportation Program as covered by Agreement 76078 with the State of California. Under this program, Federal funds allocated to local agencies are used to finance 88.53 percent of the qualifying costs of the bridge seismic retrofit projects. The remaining 11.47 percent of the costs of the project will be financed with funds from the State Highway Account. Funding for this project is included in the Fifth Supervisorial District's Road Construction Program in the Fiscal Year 2009-10 Road Fund Budget.

### FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The contract agreement will be in the form previously reviewed and approved as to form by County Counsel. The recommended contract was solicited on an open competitive basis and is in accordance with applicable Federal, State, and County requirements. The contractor is in compliance with the Chief Executive Officer's and your Board's requirements.

This contract contains terms and conditions supporting your Board's ordinances, policies, and programs including, but not limited to: the County of Los Angeles' (County) Greater Avenues for Independence and General Relief Opportunities for Work Programs (GAIN and GROW), Board Policy No. 5.050; Contract Language to Assist in Placement of Displaced County Workers, Board Policy No. 5.110; Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law), Board Policy No. 5.135; Contractor Employee Jury Service Program, Los Angeles County Code, Chapter 2.203; Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Service Notice 1015); Contractor Responsibility and Debarment, Los Angeles County Code, Chapter 2.202; the Los Angeles County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; and the standard Board directed clauses that provide for contract termination or renegotiation.

The State Public Contract Code requires the County to award construction contracts to a responsible contractor with the lowest responsive bid, which is defined as the firm that: (1) submits the bid with the lowest cost; (2) is deemed by the County to be responsive to specific criteria under the solicitation including, but not limited to, licensure, bonding, and insurance requirements; and (3) is determined by the County to be a responsible bidder by exhibiting the capability, capacity, experience, trustworthiness, and financial wherewithal to perform the work required under the bid solicitation.

To ensure the contract is awarded to a contractor with a satisfactory history of performance, bidders are required to report violations of the False Claims Act, criminal convictions, civil litigation, defaulted contracts with the County, complaints filed with the Contractor's State License Board, labor law/payroll violations, and debarment actions. As provided for in Board Policy No. 5.140, the information reported by the contractor was considered before making this recommendation to award.

The plans and specifications include the contractual provisions, methods, and material requirements necessary for this project and are on file with Public Works.

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## **ENVIRONMENTAL DOCUMENTATION**

This project was found to be statutorily exempt from the provisions of the California Environmental Quality Act at the time your Board called for bids. The specifics of this finding are included in the enclosure.

## **CONTRACTING PROCESS**

The contract was solicited on an open competitive basis in accordance with the provisions of the State Public Contract Code.

The State Labor Code requires contractors to pay prevailing wage rates to all persons employed on public works construction contracts. These rates are determined by the Department of Industrial Relations and include contributions for fringe benefits such as vacations, pension funds, training, and health plans for each employee.

To further increase contractor awareness of contracting opportunities with Public Works, this project was listed on the County website for upcoming bids.

Public Works will review and approve the Faithful Performance and payment bonds filed by the contractor.

## **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

This construction contract will result in improved public works infrastructure in the community where the work is scheduled.

#### CONCLUSION

Please return one adopted copy of this letter to Public Works, Construction Division.

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Haie Farher

Respectfully submitted,

**GAIL FARBER** 

Director

GF:JTS:en

## **Enclosures**

c: Chief Executive Office (Lari Sheehan)
County Counsel
Executive Office
Office of Affirmative Action Compliance

# PROJECT ID NO. RDC0011116 - 25TH STREET EAST UNDER UNION PACIFIC RAILROAD (in the City of Palmdale), Supervisorial District 5

TYPE OF WORK: Seismic strengthening of an existing bridge.

CALL FOR BIDS DATE: January 12, 2010 (Agenda Item 40)

BID OPENING DATE: February 9, 2010

## **BID SUMMARY**:

Low	*Sol Construction, Inc., a corporation 1600 Chicago Avenue, Suite R2 Riverside, California 92507 (951) 784-5209	\$ 99,340.70
2	Peterson-Chase General Engineering Construction, Inc.	\$112,231.90
3	RMS General Engineering, Inc.	\$128,899.52
4	Powell Constructors	\$129,573.60
5	Western Structures	\$145,358.00
6	Bowe Contractors, Inc.	\$149,107.60
7	Pointer Enterprises	\$152,430.00
8	HighLand Construction, Inc.	\$176,077.60
9	*Bitech Construction Co., Inc.	\$177,177.00
10	Abbott Contracting & Engineering, Inc.	\$179,941.00
11	John S. Meek Company, Inc.	\$194,928.60
12	*Samrod Corporation	\$230,262.10
13	Granite Construction Company	\$269,775.00
14	*HH Construction	\$307,273.70

<sup>\*</sup>MWBE

B & B Developers submitted a bid in the amount of \$97,843; however, they did not submit adequate documentation demonstrating a good faith effort toward meeting the project's Underutilized Disadvantaged Business Enterprise goal. Therefore, their bid is considered nonresponsive as provided in the bid documents.

Saeico, Inc., submitted a bid in the amount of \$207,898; however, they did not submit an executed bid bond at the time of bid. Therefore, their bid is considered nonresponsive as provided in the bid documents.

## **FINANCIAL INFORMATION:**

Amount of estimate	\$191,468.00
Amount of recommended contract	\$ 99,340.70
Amount of recommended contract below estimate	\$ 92,127.30

The amount of the recommended contract is 48 percent below the estimate.

This project is entirely within the City of Palmdale. This project will be administered under the Surface Transportation Program as covered by Agreement 76078 with the State of California. Under this program, Federal funds allocated to local agencies are used to finance 88.53 percent of the qualifying costs of the bridge seismic retrofit projects. The remaining 11.47 percent of the costs of the project will be financed with funds from the State Highway Account. Funding for this project is included in the Fifth Supervisorial District's Road Construction Program in the Fiscal Year 2009-10 Road Fund Budget.

## MINORITY/WOMEN-OWNED BUSINESS ENTERPRISE DATA:

Sol Construction, Inc., has one MWBE subcontractor/supplier under this contract, yielding a proposed MWBE participation of 14.1 percent.

## **ENVIRONMENTAL IMPACT:**

On January 12, 2010, Agenda Item 40, your Board found this project statutorily exempt.

## CONSTRUCTION SCHEDULE:

The contract specifications require the work to be completed in 50 working days. It is estimated that the work will start in July 2010 and be completed in September 2010.

CM:en